



COMMONWEALTH of VIRGINIA
DEPARTMENT OF ENVIRONMENTAL QUALITY

James S. Gilmore, III
Governor

John Paul Woodley, Jr.
Secretary of Natural Resources

Northern Virginia Regional Office
13901 Crown Court
Woodbridge, VA 22193-1453
(703) 583-3800 fax (703) 583-3801
<http://www.deq.state.va.us>

Dennis H. Treacy
Director

Gregory L. Clayton
Regional Director

December 15, 1998

Mr. James Potts
Vice President Environment
Potomac Electric Power Company
1900 Pennsylvania Avenue, N.W., Room 710
Washington, D.C. 20068

Location: Alexandria
Registration No: 70228
AIRS ID No.: 51-510-0003

Dear Mr. Potts:

Attached is an amendment to your Phase II Acid Rain permit to operate the Potomac River Power Station in accordance with the provisions of the Commonwealth of Virginia State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution. This permit has been amended to specify the revised Phase II sulfur dioxide allowances, effective October 28, 1998, allocated by the U.S. Environmental Protection Agency. This permit does not supersede your EPA Phase I Acid Rain permit dated July 27, 1994. This permit supersedes your DEQ Phase II Acid Rain permit dated December 18, 1997.

This amended permit contains legally enforceable conditions. Failure to comply may result in a Notice of Violation and civil penalty. Please read all permit conditions and references carefully.

In the course of evaluating the Phase II NOx Compliance Plan and arriving at a final decision to approve the amendment, the Department of Environmental Quality (DEQ) solicited written public comments by placing a newspaper advertisement in The Washington Times on November 10, 1998. The thirty day comment period (provided for in 9 VAC 5-80-670 A) expired on December 10, 1998.

This permit amendment approval shall not relieve Potomac Electric Power Company of the responsibility to comply with all other local, state and federal permit regulations.

9 VAC 5-170-200 of the Board's Regulations provides that you may request a formal hearing from this case decision by filing a petition with the Board within 30 days after this case decision notice was mailed or delivered to you. Please consult the relevant regulations for additional requirements for such requests.


Additionally, as provided by Rule 2A:2 of the Supreme Court of Virginia, you have 30 days from the date you actually received this permit or the date on which it was mailed to you, whichever occurred first, within which to initiate an appeal to court by filing a Notice of Appeal with:

Dennis H. Treacy, Director
Department of Environmental Quality
P.O. Box 10009
Richmond, Virginia 23240-0009

In the event that you receive this permit amendment by mail, three days are added to the period in which to file an appeal. Please refer to Part Two A of the Rules of the Supreme Court of Virginia for additional information including filing dates and the required content of the Notice of Appeal.

If you have any questions concerning this permit, please call the regional office at 703-583-3800.

Sincerely,


Terry Godar, P.E.
Air Permit Manager

70228-1.rev/TG/khb

Attachment: Permit

cc: Director, Office of Air Permit Programs (electronic file submission)
Manager, Air Data Analysis (electronic file submission)
Director, Air, Radiation and Toxics (3AT00), U.S. EPA, Region III



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Dennis H. Treacy
Director

Gregory L. Clayton
Regional Director

PHASE II ACID RAIN PERMIT

This permit supersedes your Phase II Acid Rain permit approved on December 18, 1997.

Issued to: Potomac River Power Station
Operated by: Potomac Electric Power Company
ORIS code: 3788
Effective: January 1, 1998 through December 31, 2002

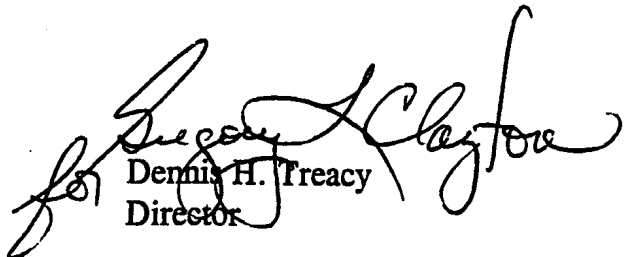
Registration No: 70228
Location: Alexandria
AIRS ID No: 51-510-0003

Acid Rain Permit Contents

1. Statement of Basis.
2. SO₂ allowances allocated under this permit and NO_x requirements for each affected unit.
3. Comments, notes and justifications regarding permit decisions and changes made to the permit application forms during the review process, and any additional requirements or conditions.
4. The permit application submitted for this source. The owners and operators of the source must comply with the standard requirements and special provisions set forth in the application.
5. The NO_x compliance plan submitted for this source. The owners and operators must comply with the standard requirements and special provisions set forth in the plan.

Permit Approval

Approved on: December 15, 1998


for Dennis H. Treacy
Director

Permit consists of 5 pages, attached application and NO_x compliance plan.

An Agency of the Natural Resources Secretariat

1. Statement of Basis

Statutory and Regulatory Authorities: In accordance with the Air Pollution Control Law of Virginia §10.1-1308A and §10.1-1322, the Environmental Protection Agency (EPA) Final Interim Approval of the Operating Permits Program (Titles IV and V) published in the Federal Register June 10, 1997, Volume 62, Number 111, Rules and Regulations, Pages 31516-31520 and effective July 10, 1997, and Title 40, Code of Federal Regulations §§72.1 through 76.16, the Commonwealth of Virginia Department of Environmental Quality issues this permit pursuant to Rule 8-7 of the Virginia Regulations for the Control and Abatement of Air Pollution (9 VAC 5 Chapter 80, Article 3 - Acid Rain Operating Permits).

2. SO₂ Allowance Allocations and NO_x Requirements for each affected unit

		1998	1999	2000	2001	2002
Unit 1	SO ₂ allowances, under Tables 2, 3, or 4 of 40 CFR Part 73. (tons)	NA	NA	2333*	2333*	2333*
	NO _x limit (lbs/MMBtu)	NA	NA	0.45**	0.45**	0.45**

		1998	1999	2000	2001	2002
Unit 2	SO ₂ allowances, under Tables 2, 3, or 4 of 40 CFR Part 73. (tons)	NA	NA	2308*	2308*	2308*
	NO _x limit (lbs/MMBtu)	NA	NA	0.45**	0.45**	0.45**

		1998	1999	2000	2001	2002
Unit 3	SO ₂ allowances, under Tables 2, 3, or 4 of 40 CFR Part 73. (tons)	NA	NA	2755*	2755*	2755*
	NO _x limit (lbs/MMBtu)	NA	NA	0.45**	0.45**	0.45**

		1998	1999	2000	2001	2002
Unit 4	SO ₂ allowances, under Tables 2, 3, or 4 of 40 CFR Part 73. (tons)	NA	NA	3036*	3036*	3036*
	NO _x limit (lbs/MMBtu)	NA	NA	0.45**	0.45**	0.45**

		1998	1999	2000	2001	2002
Unit 5	SO ₂ allowances, under Tables 2, 3, or 4 of 40 CFR Part 73. (tons)	NA	NA	2912*	2912*	2912*
	NO _x limit (lbs/MMBtu)	NA	NA	0.45**	0.45**	0.45**

* Revised Phase II SO₂ allowances published in the Federal Register, September 28, 1998, Volume 63, Number 187, Rules and Regulations, pages 51706-51766, effective October 28, 1998. SO₂ allowances may be acquired from other sources in addition to those allocated by U.S. EPA. No revision to this permit is necessary in order for the owners and operators of this unit to hold additional allowances recorded in accordance with 40 CFR Part 73. The owners and operators of this unit remain obligated to hold sufficient allowances to account for SO₂ emissions from this unit in accordance with 40 CFR 72.9(c)(1).

** Pursuant to 40 CFR 76.8(d)(2), the Commonwealth of Virginia Department of Environmental Quality approves a NO_x early election compliance plan for Units 1, 2, 3, 4, and 5. The compliance plan is effective for calendar year 2000 through calendar year 2002. Under the compliance plan, these unit's annual average NO_x emission rate for each year, determined in accordance with 40 CFR part 75, shall not exceed the applicable emission limitation under 40 CFR §76.5(a)(1) of 0.45 lbs/mmBtu for tangentially fired boilers. If these units are in compliance with the applicable emission limitation for each year of the plan, then these units shall not be subject to the applicable emission limitation, under 40 CFR §76.7(a)(1), of 0.40 lbs/mmBtu until calendar year 2008.

In addition to the described NO_x compliance plan, these units shall comply with all other applicable requirements of 40 CFR part 76, including the duty to reapply for a NO_x compliance plan and requirements covering excess emissions.

3. Comments, Notes and Justifications:

Units 1, 2, 3, 4, and 5 cannot participate in a NO_x averaging plan during Phase I of the Acid Rain program. Potomac Electric and Power Company can include Units 1, 2, 3, 4, and 5 in a NO_x averaging plan during Phase II only if the applicable emission limitation under 40 CFR §76.7(a) is used for these units in determining compliance with such a plan.

4. Permit Application: Attached. (3 pages).

5. Phase II NO_x Compliance Plan: Attached (2 pages).



Phase II Permit Application

Page 1

For more information, see instructions and refer to 40 CFR 72.30 and 72.31

This submission is: ☒ New ☐ Revised

STEP 1
Identify the source by
plant name, State, and
ORIS code from NADB

Plant Name	POTOMAC RIVER	State	VA	3788	ORIS Code
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STEP 2
Enter the boiler ID#
from NADB for each
affected unit, and
indicate whether a
repowering plan is
being submitted for
the unit by entering
"yes" or "no" at
column c. For new
units, enter the re-
quested information
in columns d and e

Compliance Plan				
a Boiler ID#	b Unit Will Hold Allow- ances in Accordance with 40 CFR 72.9(c)(1)	c Repowering Plan	d New Units Commence Operation Date	e New Units Monitor Certification Deadline
1	Yes	No		
2	Yes	No		
3	Yes	No		
4	Yes	No		
5	Yes	No		
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			

STEP 3
Check the box if the
response in column c
of Step 2 is "Yes"
for any unit

☐ For each unit that will be repowered, the Repowering Extension Plan form is included and the Repowering Technology Petition form has been submitted or will be submitted by June 1, 1997.

STEP 4
Read the standard requirements and certification, enter name of the designated representative, and sign and date.

Standard Requirements**Permit Requirements.**

- (1) The designated representative of each affected source and each affected unit at the source shall:
 - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
 - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall:
 - (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and
 - (ii) Have an Acid Rain Permit.

Monitoring Requirements.

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR parts 74, 75, and 76.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR parts 74 and 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements.

- (1) The owners and operators of each source and each affected unit at the source shall:
 - (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and
 - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
 - (i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
 - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).
- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1)(i) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements. The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements.

- (1) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.
- (2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:
 - (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and
 - (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements.

- (1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:
 - (i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
 - (ii) All emissions monitoring information, in accordance with 40 CFR part 75;
 - (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

Recordkeeping and Reporting Requirements (cont.)

- (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability.

- (1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
- (3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- (6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO_x averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative, and that is located at a source of which they are not owners or operators or the designated representative.
- (7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities. No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (2) Limiting the number of allowances a unit can hold; *provided*, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;
- (3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudential review requirements under such State law;
- (4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or
- (5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name	James S. Potts	
Signature	<i>James S. Potts</i>	Date 12/20/95

AIRS
FINDS

5 (optional)
Enter the source AIRS
and FINDS identification
numbers, if known



Page 1 of 2

For more information, see instructions and refer to 40 CFR 76.9

This submission is: ☒ New ☐ Revised

STEP 1
Indicate plant name,
State, and ORIS code
from NADB, if applicable

Plant Name	Potomac River	VA State	3788 ORIS Code
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Identify each affected Group 1 and Group 2 boiler using the boiler ID# from NADB, if applicable. Indicate boiler type: "CB" for cell burner, "CY" for cyclone, "DBW" for dry bottom wall-fired, "T" for tangentially fired, "V" for vertically fired, and "WB" for wet bottom. Indicate the compliance option selected for each unit.

ID#	1
Type	T

ID#	2
Type	T

ID#	3
Type	T

ID#	4
Type	T

ID#	5
Type	T

ID#	
Type	

- [illegible]

Plant Name (from Step 1)

Potomac River

NO_x Compliance - Page 2

Page 2 of 2

STEP 2, cont'd.

ID# 1	ID# 2	ID# 3	ID# 4	ID# 5	ID#
Type T	Type T	Type T	Type T	Type T	Type

(m) EPA-approved common stack apportionment method pursuant to 40 CFR 75.17 (a)(2)(i)(C), (a)(2)(iii)(B), or (b)(2)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(n) AEL (Include Phase II AEL Demonstration Period, Final AEL Petition, or AEL Renewal form as appropriate)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(o) Petition for AEL demonstration period or final AEL under review by U.S. EPA or demonstration period ongoing

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(p) Repowering extension plan approved or under review

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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STEP 3
Read the standard requirements and certification, enter the name of the designated representative, sign &

Standard Requirements

General. This source is subject to the standard requirements in 40 CFR 72.9 (consistent with 40 CFR 76.8(e)(1)(i)). These requirements are listed in this source's Acid Rain Permit.

Special Provisions for Early Election Units

Nitrogen Oxides. A unit that is governed by an approved early election plan shall be subject to an emissions limitation for NO_x as provided under 40 CFR 76.8(a)(2) except as provided under 40 CFR 76.8(e)(3)(iii).

Liability. The owners and operators of a unit governed by an approved early election plan shall be liable for any violation of the plan or 40 CFR 76.8 at that unit. The owners and operators shall be liable, beginning January 1, 2000, for fulfilling the obligations specified in 40 CFR Part 77.

Termination. An approved early election plan shall be in effect only until the earlier of January 1, 2008 or January 1 of the calendar year for which a termination of the plan takes effect. If the designated representative of the unit under an approved early election plan fails to demonstrate compliance with the applicable emissions limitation under 40 CFR 76.5 for any year during the period beginning January 1 of the first year the early election takes effect and ending December 31, 2007, the permitting authority will terminate the plan. The termination will take effect beginning January 1 of the year after the year for which there is a failure to demonstrate compliance, and the designated representative may not submit a new early election plan. The designated representative of the unit under an approved early election plan may terminate the plan any year prior to 2008 but may not submit a new early election plan. In order to terminate the plan, the designated representative must submit a notice under 40 CFR 72.40(d) by January 1 of the year for which the termination is to take effect. If an early election plan is terminated any year prior to 2000, the unit shall meet, beginning January 1, 2000, the applicable emissions limitation for NO_x for Phase II units with Group 1 boilers under 40 CFR 76.7. If an early election plan is terminated on or after 2000, the unit shall meet, beginning on the effective date of the termination, the applicable emissions limitation for NO_x for Phase II units with Group 1 boilers under 40 CFR 76.7.

Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name	James S. Potts	
Signature	<i>James S. Potts</i>	Date 12/15/97